

**STANDARD TERMS (08-VI)  
AS APPLICABLE TO JOINT MORTGAGE DEED  
- CONSORTIUM TERM LOAN**

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**STANDARD TERMS AS APPLICABLE TO JOINT MORTGAGE DEED  
FOR CONSORTIUM TERM LOAN**

1. **Standard Terms**

These Standard Terms shall, if the Mortgage Deed so provides, be applicable to the mortgage / charge created under such Mortgage Deed.

If there is any inconsistency between the Standard Terms and the Mortgage Deed, the Mortgage Deed will prevail.

2. **Definitions & Construction**

**“Mortgaged Assets”** means all the assets / properties secured under the Mortgage Deed (including under supplemental mortgage deed(s)).

**"Mortgage Deed"** means the particular joint mortgage deed/s executed by the Mortgagor in favour of the particular Consortium of Lenders for the purpose of securing the Mortgaged Assets for the Facility and includes these Standard Terms as applied thereto, and all schedules and amendments to such Mortgage Deed. Unless the term “Standard Terms” is used separately, the term “this Deed” or the “Mortgage Deed”, wherever used in the Mortgage Deed or these Standard Terms, shall be deemed to refer to the Mortgage Deed read together with and including these Standard Terms.

**“Mortgagor”** means the Borrower and/or the Third Party Mortgagor, as the case may be, who has/have created mortgage over the Mortgaged Assets under the Mortgage Deed.

All capitalised terms used but not defined in these Standard Terms shall have the respective meanings assigned to them under the Mortgage Deed.

Clause 2.2 of the General Conditions shall apply mutatis mutandis to these Standard Terms as if expressly set out in full herein with each reference to the Facility Agreement or General Conditions being deemed to be a reference to Mortgage Deed and these Standard Terms.

3. **Continuing Security**

The Mortgaged Assets shall be and will continue to remain secured to the Lenders till the repayment / payment of the Facility, all interest, commission, charges, costs, expenses and all other monies including any increase as a result of revaluation / devaluation / fluctuation or otherwise in the rates of exchange of foreign currencies, if any, involved, as stipulated and in the manner set out in the Facility Agreement and/or the other Transaction Documents and to the satisfaction of the Lenders.

The Mortgagor shall, until the happening of one or more of the Events of Default upon the happening of which the security constituted under the Deed shall become enforceable as hereinafter provided, hold and enjoy the Mortgaged Assets and to carry on therein and therewith the business authorised by the constitutional documents, if any, of the Mortgagor.

The Mortgage Deed shall remain in full force and effect till such time the Borrower repays / pays in full the Facility together with all interest, commission, costs, charges, expenses and all other monies payable under the Facility Agreement and/or the other Transaction Documents.

#### **4. Consequences of occurrence of Event of Default**

Upon the happening of any Event of Default, the Lenders may (but subject to the provisions herein contained as to notice where such provision is applicable and to such of the provisions of law as may, for the time being be applicable, and without prejudice to the rights and remedies available to the Lenders under applicable laws) in its sole discretion, enter upon or take possession of and/or receive, collect the rents, profits and income of the Mortgaged Assets or any of them or any part thereof, and subject to and with the rights conferred on them hereunder, may at its discretion, sell, call in, collect and convert into monies the whole or part of the Mortgaged Assets with full power to sell any of the Mortgaged Assets either by public auction or private contract and either for a lump sum or a sum payable by instalments or for a sum on account and a mortgage or charge for the balance and with full power upon every such sale to make any special or other stipulations as to title or evidence or commencement of title or as to the removal of any property which may be sold separately or otherwise as the Lenders shall think proper and with full power to buy in or rescind or vary any contract for sale of the Mortgaged Assets or any part thereof and re-sell the same without being responsible for any loss which may be occasioned thereby and with full power to compromise and effect compositions and for the purposes aforesaid or any of them to execute and do all such acts, assurances and things as it shall think fit; The Lenders shall also be entitled to do all such acts, deeds and things as may be required or is necessary for taking possession / collection of the Mortgaged Assets and/or inspection / copies of the records, etc. in relation to the Mortgaged Assets and/or sale / transfer of the same in any manner whatsoever without being accountable or responsible to the Mortgagor and/or any other person; PROVIDED that before making any such entry or taking possession as aforesaid or making any sale, calling in, collection or conversion under the aforesaid power of attorney in that behalf (“Power of Sale”), the Lenders shall give written notice of their intention to the Mortgagor BUT the Lenders shall not be bound to give any such notice in any case where it/they shall, either before or after entry, be of the opinion that further delay would imperil the interests of the Lenders, or in any case where an order or resolution for the winding up / insolvency / bankruptcy of the Borrower and/or the Mortgagor shall have been made or passed. The Lenders shall not exercise the Power of Sale if in the case of such power arising by reason of any default in payment of any monies due in respect of the Facility, the Mortgagor shall provide to the Lenders the payment of monies so in arrears within three months next after the notice has been given or if in the case of such power arising by reason of any provision as herein stated the Mortgagor shall, within 30 (thirty) days of the receipt of a notice, remove, discharge or pay out any distress, execution or process or fully perform the covenants, conditions or provisions breached, if capable of being performed, or make good the breach thereof, or pay adequate compensation for such breach to the satisfaction of the Lenders and any compensation so paid to the Lenders shall be deemed to be part of the Mortgaged Assets.

If the Lenders hold two or more mortgages executed by the Mortgagor in respect of each of which they have a right to obtain the same kind of decree under Section 67 of the Transfer of Property Act, 1882, the Lenders shall be, at their sole discretion, entitled to sue to obtain such decree on any one of the mortgages in respect of which the mortgage-money has become due.

#### **5. Lenders’ right to carry on business**

On the happening of any Event of Default and upon the security hereby constituted becoming enforceable and after the Lenders shall have made entry or taken possession of the Mortgaged Assets and until the Mortgaged Assets shall be sold, called in, collected or converted under

the Power of Sale as mentioned in Clause 4 hereinabove, the Lenders may, if it/they shall think fit so to do but not otherwise, either itself/themselves carry on and manage the business of the Mortgagor in and with the Mortgaged Assets or any of them or appoint a Receiver to carry on and manage the same and the Lenders or the Receiver may manage and conduct the same as they shall in their discretion think fit.

The Lenders or the Receiver so appointed may for the purpose of carrying on the said business do, *inter alia*, all or any of the following acts and things viz :

- a) Employ or remove such experts, officers, agents, managers, clerks, accountants, servants, workmen and others and upon such terms with such salaries, wages or remuneration as the Lenders or the Receiver shall think proper;
- b) Renew or replace such plant / equipment as shall be worn out or lost or otherwise becomes unserviceable and repair and keep in repair the buildings, machinery, plant and other property comprised in the Mortgaged Assets;
- c) Acquire and provide all such machinery, materials and things as the Lenders or the Receiver may consider necessary;
- d) Insure all or any of the Mortgaged Assets of an insurable nature against loss or damage by fire and against such other risks in such sum(s) as the Lenders or the Receiver shall think fit;
- e) Settle, arrange, compromise and submit to arbitration any accounts, claims, questions or disputes whatsoever which may arise in connection with the said business or the Mortgaged Assets or in any way relating to the security and execute, releases or other discharges in relation thereto;
- f) Bring, take, defend, compromise, submit to arbitration and/OR discontinue any actions, suits or proceedings whatsoever, civil or criminal, in relation to the business or any portion of the Mortgaged Assets;
- g) Allow time for payment of any debt with or without security;
- h) Subject to such consent as may be necessary demise or let out, sub-let or underlet the Mortgaged Assets or any part or parts thereof for such terms at such rents and generally in such manner and upon such conditions and stipulations as the Lenders or the Receiver shall think fit;
- i) Exchange either the whole or any part of the Mortgaged Assets for any other security or property suitable for the purposes of the Mortgagor and upon such terms as may seem expedient and either with or without payment or receipt of monies for equality of exchange or otherwise;
- j) Assent to the modification of any contracts or arrangements which may be subsisting in respect of any of the Mortgaged Assets and, in particular, the terms of any concession or licence for the time being held;
- k) Execute and do all such acts, deeds, matters and things as to the Lenders or the Receiver may appear necessary or proper for or in relation to any of the purposes aforesaid or stated in this Deed;
- l) Substitute parties to any Project Documents or enter into further / fresh / modifications to the Project Documents; Terminate or assign the Project Documents;
- m) Enter into or execute such documents & procure such approvals as may be required in connection with the Mortgaged Assets or for the purposes stated in this Deed;
- n) Establish, maintain and/or operate all bank accounts of the Mortgagor; give discharge for all amounts paid to the Mortgagor by any persons; sign receipts in respect of amounts received.

The Lenders or the Receiver so appointed may for any of the purposes aforesaid do or cause to be done all such acts and things respecting the business and the Mortgaged Assets as the

Lenders / Receiver could do or cause to be done if the Lenders / Receiver had the absolute possession of the Mortgaged Assets and had carried on the said business without being answerable for any loss or damage which may happen thereby.

6. **Right of the Lenders to borrow**

The Lenders may raise or borrow such monies on the security of the Mortgaged Assets or any part thereof ranking either in priority or pari passu or subsequent to the Mortgage Deed as the Lenders shall decide, for the purpose of making any payment under or by virtue of the Mortgage Deed or in relation to the exercise of any powers duties or obligations of the Lenders or the Receiver or otherwise in relation to the Mortgaged Assets or the Mortgage Deed or for the purpose of paying off or discharging any mortgages or charges for the time being on the Mortgaged Assets or any part thereof or any costs, charges and expenses which shall be incurred by the Lenders under or by virtue of the Mortgage Deed and the Lenders may raise and borrow such monies as aforesaid at such rate(s) of interest and generally on such terms and conditions as the Lenders shall think fit.

7. **Power of the Lenders to appoint Receiver**

Subject to the provisions of Section 69A of the Transfer of Property Act, 1882, and to such of the provisions of law as may, for the time being be applicable, the Lenders, at any time after the security hereby constituted becomes enforceable and whether or not the Lenders shall then have entered into or taken possession of the Mortgaged Assets and in addition to the power hereinbefore conferred upon the Lenders after such entry into or taking possession may, in writing, appoint any official of the Lenders as Receiver(s) of the Mortgaged Assets or any part thereof and remove any Receiver(s) so appointed and appoint any such other person(s) in his or their stead and unless the Lenders shall otherwise prescribe in writing such Receiver(s) shall have all the powers hereinbefore conferred upon the Lenders. All the provisions and powers hereinbefore declared in respect of a Receiver appointed by the Lenders after entering into or taking possession by the Lenders shall apply to a Receiver appointed before entering into or taking possession by the Lenders and in particular such Receiver shall be deemed to be the agent of the Mortgagor which shall be solely responsible for his acts and defaults and for his remuneration.

In addition to the foregoing, the following provisions shall also apply to such Receiver :

a) *Appointment before or after possession :*

Such appointment may be made either before or after the Lenders shall have entered into or taken possession of the Mortgaged Assets or any part thereof;

b) *Receiver to be invested with powers by the Lenders :*

Such Receiver may be invested by the Lenders with such powers and discretions including powers of management as the Lenders may think expedient;

c) *Receiver to exercise powers vested in the Lenders :*

Unless otherwise directed by the Lenders, the Receiver shall have and may exercise all the powers and authorities vested in the Lenders;

d) *Receiver to conform to regulations made by the Lenders :*

The Receiver shall, in the exercise of his powers, authorities and discretions, conform to the regulations and directions made and given by the Lenders from time to time;

e) *Receiver's remuneration :*

The Lenders may, from time to time, fix remuneration of the Receiver and direct payment thereof out of the Mortgaged Assets, but the Mortgagor alone shall be liable for the payment of such remuneration;

f) *Receiver to give security:*

The Lenders may, from time to time and at any time, require the Receiver to give security for the due performance of his duties as such Receiver and may fix the nature and the amount of the security to be given, but the Lenders shall not be bound in any case to require any such security;

g) *Receiver to pay the monies :*

Unless otherwise directed by the Lenders all monies from time to time received by such Receiver shall be paid over to the Lenders of and concerning the monies arising from any sale, calling in, collection or conversion;

h) *Lenders may pay monies to Receiver :*

The Lenders may pay over to the Receiver any monies constituting part of the Mortgaged Assets to the intent that the same may be applied for the purposes hereof by such Receiver and the Lenders may, from time to time, determine what funds the Receiver shall be at liberty to keep in hand with a view to the performance of his duties as such Receiver;

i) *Receiver's power to borrow on the Mortgaged Assets :*

Subject as provided herein the Receiver may for the purpose of carrying on the business of the Mortgagor as mentioned in (b) above, for defraying any costs, charges, losses or expenses (including his remuneration) which shall be incurred by him in exercise of the powers, authorities and discretion vested in him and for all or any of the purposes raise and borrow monies on the security of the Mortgaged Assets or any part thereof at such rate(s) of interest and generally on such terms and conditions as he may think fit, and no person lending any such money shall be concerned to inquire as to the propriety or purpose of the exercise of the said power or to see to the application of any monies so raised or borrowed Provided that the Receiver shall not exercise the said power without first obtaining the written consent of the Lenders but the Lenders shall incur no responsibility or liability to any person by reason of their giving or refusing such consent whether absolutely or subject to any limitation or condition;

j) *Receiver Agent of the Mortgagor :*

Every such Receiver shall be the agent of the Mortgagor for all purposes and the Mortgagor alone shall be responsible for his acts and defaults, losses or misconduct and liable on any contract or engagement made or entered into by him and for his remuneration and the Lenders shall not incur any liability or responsibility therefor by reason of their making or consenting to his appointment as such Receiver;

k) *Applicability of The Transfer of Property Act, 1882 :*

Subject as aforesaid the provisions of the Transfer of Property Act, 1882 and the powers thereby conferred on a Lenders or Receiver shall, so far as applicable, apply to such Receiver.

## 8. **Investment of capital monies**

At any time before the security constituted under the Mortgage Deed becomes enforceable, the Lenders may, at the cost and request of the Mortgagor, do or concur with the Mortgagor in doing all or any of the things which the Mortgagor might have done in respect of the Mortgaged Assets and particularly, but not by way of limitation may sell, call in, collect, convert, lease, purchase, substitute, exchange, surrender, develop, deal with or exercise any right in respect of all or any of the Mortgaged Assets upon such terms and for such consideration as the Lenders deem fit. Provided that all property of any description and all net capital monies arising from or receivable upon any such dealing as aforesaid and remaining after payment therefrom of the costs and expenses of and incidental to such dealing shall be and become part of the Mortgaged Assets and shall be paid to or vested in or specifically charged in favour of the Lenders in such manner as the Lenders shall require.

Subject as aforesaid, the Lenders may invest the net capital monies referred to above upon some or one of the investments hereinafter authorised or place the same upon deposit or in current account in the name of the Lenders with any Scheduled Bank(s) with power from time to time at their discretion to vary such investments and with power from time to time at their discretion to resort to any such investments for any of the purposes for which such proceeds are under the Mortgage Deed authorised to be expended. And subject as aforesaid the Lenders shall stand possessed of the said investments until the Power of Sale shall arise to pay the income thereof and any net monies in the nature of income arising to the Mortgagor and after the Power of Sale shall have arisen, may utilize the same for payment and satisfaction of all monies secured under the Mortgage Deed PROVIDED ALWAYS that balance monies if any remaining out of the said investment monies and income thereof after payment and satisfaction of all monies intended to be secured by the Mortgage Deed, shall be held handed over to the Mortgagor or the persons entitled thereto.

9. **Power of the Lenders upon execution being levied**

In addition to the powers hereinbefore given, the Lenders may enter into or take possession of and hold or appoint a Receiver to take possession of any part of the Mortgaged Assets which may at any time appear to them to be in danger of being taken under any process of law by any creditor of the Mortgagor or be otherwise in jeopardy and where a Receiver is appointed under this Clause the provisions of Clauses 5 and 7 hereof shall apply mutatis mutandis and the Lenders may at any time give up possession or discharge the Receiver.

10. **Lenders and Receiver not liable to account as Lenders in possession**

The Lenders shall not, nor shall any Receiver as aforesaid, be liable by reason of the Lenders or such Receiver entering into or taking possession of the Mortgaged Assets or any part or parts thereof, to account as Lenders in possession or for anything except actual receipts or be liable for any loss upon realisation or for any default or omission for which a Lenders-in-possession might be liable.

11. **Lenders may give up possession**

If and when the Lenders shall have made an entry into or taken possession of the Mortgaged Assets under the powers conferred upon the Lenders by the Mortgage Deed, the Lenders may at any time afterwards give up possession of the Mortgaged Assets or any of them or any part or parts thereof to the Mortgagor either unconditionally or upon such terms and conditions as may be specified by the Lenders.

12. **Application of monies from business**

The Lenders shall out of the monies received by the Lenders in carrying on the business as mentioned in Clause 5 hereof, and out of the rents, profits and income of the Mortgaged Assets, pay and discharge the costs, charges and expenses incurred in carrying on the business including the remuneration of the Receiver (if any) and in the management of the Mortgaged Assets or in the performance or exercise or the attempted performance or exercise of the powers and duties under the Mortgage Deed and all other outgoings which the Lenders or Receiver shall think fit to pay and shall pay and apply the residue of the said receipts, rents, profits and monies in the manner hereinbefore provided with respect to the monies arising from any sale or conversion under the Power of Sale or conversion under Mortgage Deed.

13. **When Lenders may interfere**

Until the happening of any of the Events of Default the Lenders shall not be in any manner required, bound or concerned to interfere with the management or the affairs of the Mortgagor or its business or the custody, care, preservation or repair of the Mortgaged Assets or any part thereof.

14. **Mortgagor's declarations, representations, etc.**

The Mortgagor hereby declares, represents, warrants, confirms that :

i) The Mortgaged Assets expressed to be granted, conveyed, assigned, assured and transferred under the Mortgage Deed are (except to the extent disclosed to the Lenders) the sole and absolute properties of the Mortgagor and are free from any other mortgage, charge or encumbrance and are not subject to any lien, lispendens, attachment or other process issued by any Court or other authority;

ii) Notwithstanding anything by the Mortgagor done or executed or omitted to be done or executed or knowingly suffered to the contrary, the Mortgagor has power and authority to grant, convey, assign, assure and transfer unto the Lenders the Mortgaged Assets; The Mortgagor has complied with all legal requirements and has obtained all approvals as may be required or expedient for creation of the security expressed to be created under the Mortgage Deed in favour of the Lenders for securing the Facility and all other monies under the Facility Agreement and the other Transaction Documents. If the Third Party Mortgagor is a company, the Third Party Mortgagor also confirms that it is permitted to create security under the Mortgage Deed in terms of its Articles of Association and all requisite resolutions in connection with the Facility and the transactions contemplated in the Mortgage Deed and the other Transaction Documents have been obtained by the Third Party Mortgagor.

iii) The Mortgagor has done all acts, conditions and things required to be done, fulfilled or performed, and all authorisations required or essential for the execution of the Mortgage Deed or for the performance of the Mortgagor's obligations in terms of and under the Mortgage Deed have been done, fulfilled, obtained, effected and performed and are in full force and effect and no such authorisation has been, or is threatened to be, revoked or cancelled;

iv) The Mortgage Deed has been duly and validly executed by the Mortgagor or on behalf of the Mortgagor and the Mortgage Deed constitutes legal, valid and binding obligations of the Mortgagor;

v) The entry into, delivery and performance by the Mortgagor of, and the transactions contemplated by, the Mortgage Deed do not and will not conflict : (i) with any law; (ii) with the constitutional documents, if any, of the Mortgagor; or (iii) with any document which is binding upon the Mortgagor or on any of its Mortgaged Assets;

vi) All amounts payable by the Mortgagor under the Mortgage Deed will be made free and clear of and without deduction / withholding for or on account of any tax or levy and without any setoff;

vii)(a) To the extent applicable, the execution or entering into by the Mortgagor of the Mortgage Deed constitutes, and performance of its obligations under the Mortgage Deed will constitute, private and commercial acts done and performed for private and commercial purposes; (b) The Mortgagor is not, will not be entitled to, and will not claim immunity for

itself or any of its Mortgaged Assets from suit, execution, attachment or other legal process in any proceedings in relation to the Mortgage Deed;

viii) Except to the extent disclosed to the Lenders, no litigation, arbitration, administrative or other proceedings are pending or threatened against the Mortgagor or its Mortgaged Assets, which, if adversely determined, might have a Material Adverse Effect;

ix)(a) All information communicated to or supplied by or on behalf of the Mortgagor to the Lenders from time to time in a form and manner acceptable to the Lenders, are true and fair correct and complete in all respects as on the date on which it was communicated or supplied; (b) Nothing has occurred since the date of communication or supply of any information to the Lenders, which renders such information untrue or misleading in any respect;

x) It shall be lawful for the Lenders upon entering into or taking possession under the provisions contained in the Mortgage Deed of all or any of the Mortgaged Assets thenceforth to hold and enjoy the same and to receive the rents and profits thereof without any interruption or disturbance by the Mortgagor or any other person or persons claiming by, through, under or in trust for the Mortgagor, and that freed and discharged from or otherwise by the Mortgagor sufficiently indemnified against all encumbrances and demands whatsoever;

xi) The Mortgagor shall execute all such deeds, documents and assurances and do all such acts and things as the Lenders may require for exercising the rights of the Lenders under the Mortgage Deed or for effectuating and completing the security created under the Mortgage Deed and shall, from time to time and at all times after the security constituted under the Mortgage Deed shall become enforceable, execute and do all such deeds, documents, assurances, acts and things as the Lenders may require for facilitating realisation of the Mortgaged Assets and for exercising all the powers, authorities and discretions hereby conferred on the Lenders or any Receiver and in particular the Mortgagor shall execute all transfers, conveyances, assignments and assurances of the Mortgaged Assets whether to the Lenders or to their nominees and shall give all notices, orders and directions which the Lenders may think expedient and shall perform or cause to be performed all acts and things requisite or desirable for the purpose of giving effect to the exercise of any of the said powers, authorities and discretions and further shall, for such purposes or any of them make or consent to such application to any Government or local authority as the Lenders may require for the consent, sanction or authorisation of such authority to or for the sale, collection and transfer of the Mortgaged Assets or any part thereof and it shall be lawful for the Lenders to make or consent to make any such application in the name of the Mortgagor and for the purposes aforesaid a certificate in writing signed by the Lenders to the effect that any particular assurance or thing required by them is reasonably required by them shall be conclusive evidence of the fact.

xii) The Mortgagor shall maintain and keep in proper order, repair and in good condition the relevant Mortgaged Assets. In case the Mortgagor fails to keep in proper order, repair and in good condition the Mortgaged Assets or any part thereof, then the Lenders may, but shall not be bound to, maintain in proper order or repair or condition the Mortgaged Assets or any part thereof and any expense incurred by the Lenders and their costs and charges therefor shall be reimbursed by the Mortgagor; The Mortgagor shall ensure collection of the Receivables as per terms of the respective contracts.

xiii) The Mortgagor shall insure and keep insured the relevant Mortgaged Assets in accordance with the terms of the Facility Agreement and shall duly pay all premia and other sums payable for that purpose; the insurance in respect of the Mortgaged Assets shall be taken in joint names of the Mortgagor, the Lenders and any other person having a charge on the relevant Mortgaged Assets and acceptable to the Lenders and the Mortgagor shall keep the insurance policies and renewals thereof with the Lenders and in the event of failure on the part of the Mortgagor to insure the relevant Mortgaged Assets or to pay the insurance premia or other sums referred to above, the Lenders may but shall not be bound to get the Mortgaged Assets insured or pay the insurance premia and other sums referred to above which shall be reimbursed by the Mortgagor; all realizations out of policies of insurance taken out by the Mortgagor in respect of the Mortgaged Assets although taken only in the name of the Mortgagor shall be available for the benefit of the Lenders.

xiv) The Mortgagor shall keep proper books of account as required by the applicable laws and therein make true and proper entries of all dealings and transactions of and in relation to the Mortgaged Assets and the business of the Mortgagor and keep the said books of account and all other books, registers and other documents relating to the affairs of the Mortgagor at its Registered Office or, where permitted by law, at other place or places where the books of account and documents of a similar nature may be kept and the Mortgagor will ensure that all entries in the same relating to the Mortgaged Assets and the business of the Mortgagor shall at all times be open for inspection of the Lenders and such person(s) as the Lenders shall, from time to time, in writing for that purpose, appoint. All original documents in relation to the Mortgaged Assets if not already handed over to the Lenders shall be held by the Mortgagor in trust for the Lenders;

xv) The Mortgagor shall give to the Lenders or to such person(s) as aforesaid such information as they or (s)he or any of them shall require as to all matters relating to the business, property and affairs of the Mortgagor and at the time of the issue thereof to the shareholders/members/partners, if any, of the Mortgagor furnish to the Lenders copies of every report, balance sheet, profit and loss account, circulars or notices, issued to the shareholders/members/partners and the Lenders shall be entitled, if they think fit, from time to time, to nominate a firm of Chartered Accountant to examine the books of account, documents and property of the Mortgagor or any part thereof and to investigate into the affairs thereof and the Mortgagor shall allow any such accountant or agent to make such examination and investigation and shall furnish him with all such information as he may require and shall pay all costs, charges and expenses of and incidental to such examination and investigation;

xvi) The Mortgagor shall permit the Lenders and such person, as they shall, from time to time in writing for that purpose appoint, to enter into or upon and to inspect the state and condition of all the Mortgaged Assets and pay all travelling, hotel and other expenses of any person whom the Lenders may depute for the purpose of such inspection and if the Lenders shall, for any reason, decide that it is necessary to employ an expert, to pay the fees and all travelling, hotel and other expenses of such an expert;

xvii) The Mortgagor shall punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Mortgagor as and when the same shall become payable and when required by the Lenders produce the receipts of such payment and also punctually pay and discharge all debts and obligations and liabilities which may have priority over the security created

under the Mortgage Deed and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Mortgagor in respect of or any part of the Mortgaged Assets;

xviii) The Mortgagor shall forthwith give notice in writing to the Lenders of commencement of any proceedings directly affecting the Mortgaged Assets;

xix) The Mortgagor shall duly cause the Mortgage Deed to be registered in all respects so as to comply with the provisions of the Companies Act, 1956 (if applicable) and also cause the Mortgage Deed to be registered in conformity with the provisions of the Indian Registration Act, 1908, or any other Act, Ordinance or Regulation of or relating to any part of India, within which any portion of the Mortgaged Assets is or may be situated, by which the registration of deeds is required and generally do all other acts (if any) necessary for the purpose of assuring the legal validity of the Mortgage Deed, and in accordance with the Mortgagor's constitutional documents;

xx) The Mortgagor shall diligently preserve its corporate existence and status and all rights, contracts, privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business and will comply with each and every term of the said franchises and concessions and all acts, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to the Mortgaged Assets or any part thereof PROVIDED THAT the Mortgagor may contest in good faith the validity of any such acts, rules, regulations, orders and directions and pending the determination of such contest may postpone compliance therewith if the security for the Facility is not thereby materially endangered or impaired. The Mortgagor will not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the Facility and/or any other monies in respect thereof might or would be hindered or delayed;

xxi) The Mortgagor shall pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Mortgagor may be required to pay according to the laws for the time being in force in the State in which its properties are situated or otherwise, and in the event of the Mortgagor failing to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Lenders will be at liberty (but shall not be bound) to pay the same and the Mortgagor shall reimburse the same to the Lenders on demand;

xxii) The Mortgagor shall reimburse all sums paid or expenses incurred by the Lenders or any Receiver, Attorney, Manager, Agent or other person appointed by the Lenders for all or any of the purposes mentioned in the Mortgage Deed immediately on receipt of a notice of demand from the Lenders in this behalf and all such sums shall carry further interest at the default interest rate specified in the Facility Agreement as from the date when the same shall have been advanced, paid or become payable or due and as regards liabilities, the Mortgagor will, on demand, pay and satisfy or obtain the releases of such persons from such liabilities and if any sum payable under the Mortgage Deed shall be paid by the Lenders, the Mortgagor shall, forthwith on demand, reimburse the same to the Lenders and until payment or reimbursement of all such sums, the same shall be a charge upon the Mortgaged Assets;

xxiii) The Mortgagor shall promptly inform the Lenders if it has knowledge or notice of any application for winding up/ dissolution/ bankruptcy / insolvency having been made or any statutory notice of winding up or dissolution under the Companies Act, 1956 (if applicable)

or other applicable Acts or otherwise of any suit or other legal process intended to be filed or initiated against the Mortgagor and affecting the title to the Mortgagor's properties or if a Receiver is appointed of any of its properties or business or undertaking;

xxiv) The Mortgagor shall promptly inform the Lenders of the happening of any labour strikes, lockouts, shut-downs, fires or any event likely to have a substantial effect on the Mortgaged Assets or on the Mortgagor's profits or business and of any material changes in the rate of production or sales of the Mortgagor with an explanation of the reasons therefor;

xxv) The Mortgagor shall promptly inform the Lenders of any loss or damage which the Mortgagor and/or the Mortgaged Assets may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Mortgagor may not have insured its properties (including the Mortgaged Assets);

xxvi) The Mortgagor shall apply for and make its best endeavour to obtain renewal of the leases under which any of the leasehold lands, if any, forming part of the Mortgaged Assets may, during the continuance of security created under the Mortgage Deed, be held as and when the same may be due for renewal in accordance with the provisions thereof and duly vest in the Lenders as part of the Mortgaged Assets and in such manner as the Lenders may direct all such renewed leases. The Mortgagor shall comply with the provisions of all documents in connection with such leases and furnish certified true copies of such leases to the Lenders if so required by the Lenders;

xxvii) The Mortgagor shall not pull down or remove any building or structure (except any temporary structure) on the lands for the time being forming part of the Mortgaged Assets or the fixed plant or machinery or any fixtures or fittings annexed to the same or any of them except in the ordinary course of repair and maintenance or improvement or replacement or otherwise in the course of and for the purposes of carrying on the business of the Mortgaged Assets and the Mortgagor will in such case forthwith restore or procure to be restored such building, structure, plant, machinery, fixtures or fittings as the case may be, or replace the same or procure the same to be replaced by others of a similar nature and of at least equal value;

xxviii) The Mortgagor shall not sell, transfer or dispose of the Mortgaged Assets or any part thereof or create thereon any mortgage, lien or charge by way of hypothecation, pledge or otherwise howsoever or other encumbrance of any kind whatsoever.

## 12. **Claim for compensation monies**

In the event of the Government taking over the management of the Mortgagor and/or the Mortgaged Assets and/or the entire undertaking of the Mortgagor and/or in the event of nationalisation of the Mortgagor or its business or a moratorium being passed or in case the running of the business of the Mortgagor or its management or control is taken away either as part of any unemployment relief scheme or for any other reason whatsoever, or under the provisions of The Industries (Development and Regulation) Act, 1951 or under any other Act, the Lenders shall be entitled to receive the whole of the compensation to which the Mortgagor shall be entitled and to apply the same or a sufficient portion thereof in accordance with provisions of the Facility Agreement and all monies secured under the Mortgage Deed shall become immediately payable and the security created under the Mortgage Deed shall become enforceable.

13. **Purchasers and persons dealing with the Lenders not put on enquiry**

No purchaser, mortgagor, Lenders or other person dealing with the Lenders or any Receiver appointed by them or their attorneys or agents shall be concerned to inquire whether the power exercised or purported to be exercised has become exercisable or whether any money remains due on the security created under the Mortgage Deed or as to the necessity or expediency of the stipulations and conditions subject to which any sale shall have been made or otherwise as to the propriety or regularity of any sale, calling in, collection or conversion or to see to the application of any money paid to the Lenders or Receiver and in the absence of malafides on the part of such purchaser, mortgagor, Lenders or other person such dealing shall be deemed, so far as regards the safety and protection of such person, to be within the powers hereby conferred and be valid and effectual accordingly and the remedy of the Mortgagor or its assigns in respect of any impropriety or irregularity whatsoever in the exercise of such power shall be in damages only.

14. **Receipt of Lenders to be effectual discharge**

Upon any such sale, calling in, collection or conversion as aforesaid and upon any other dealing or transaction under the provisions contained in the Mortgage Deed the receipt of the Lenders for the purchase money of any of the Mortgaged Assets sold and for any other monies paid otherwise howsoever to them shall effectually discharge the purchaser(s) or person paying the same therefrom and from being concerned to see to the application or being answerable for the loss or misapplication or non-application thereof.

15. **Application to court**

The Lenders may, at any time after the security hereby constituted becomes enforceable, apply to the relevant Court for an order that the powers hereof be exercised and carried into execution under the directions of the Court and for the appointment of a Receiver or Receivers and Manager of the Mortgaged Assets or any of them and for any other order in relation to the execution and administration of the powers hereof as the Lenders shall deem expedient and shall be indemnified by the Mortgagor against all costs, charges and expenses incurred for or in relation to any such application or proceeding.

16. **Exercise of powers through officers, etc.**

The Lenders may, in the execution and exercise of all or any of the powers, authorities and discretions vested in them by the Mortgage Deed act by an officer or officers for the time being of the Lenders and the Lenders may also, whenever they think it expedient, delegate by Power of Attorney or otherwise to any such officer all or any of the powers, authorities and discretions vested in them by the Mortgage Deed and any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate) as the Lenders may think fit and the Lenders shall not be bound to supervise the proceedings or be in anywise responsible for any loss incurred by reason of any misconduct or default or any mistake, oversight, error of judgement, forgetfulness or want of prudence on the part of any such delegate or sub-delegate.

17. **Covenant for reconveyance**

The Mortgagor hereby acknowledges, agrees and confirms that the Lenders shall, at the request and cost of the Mortgagor, release, re-assign or reconvey to the Mortgagor or as the Mortgagor may direct or to such other person entitled thereto, the Mortgaged Assets or such part thereof as may remain subject to the security hereby created freed and discharged from the security hereby created upon proof being given to the reasonable satisfaction of the Lenders that all the Facility together with all interest, and all other monies payable under the

Facility Agreement, the Mortgage Deed and the other Transaction Documents have been paid off or satisfied in accordance with the tenor thereof and upon payment of all costs, charges and expenses incurred by the Lenders or by any Receiver in relation to the Mortgage Deed and/or the Facility Agreement and/or the other Transaction Documents and upon observance and performance of the terms and conditions and covenants contained in the Mortgage Deed and in the other Transaction Documents.

18. **Payment of costs, charges and expenses**

The Mortgagor shall pay to the Lenders all legal, travelling and other costs, charges and expenses incurred by them or their officers or their employees, their representatives / agents in connection with execution of the Mortgage Deed including costs, charges and expenses of and incidental to the approval and execution of the Mortgage Deed and all other documents affecting the security contained therein and will indemnify them against all actions, proceedings, costs, charges, expenses, claims and demands whatsoever which may be brought or made against or incurred by them in respect of any matter or thing done or omitted to be done in respect of or in relation to the Mortgaged Assets.

The Mortgagor shall also indemnify and keep the Lenders indemnified against all losses, damages, costs, claims and expenses whatsoever which the Lenders may suffer, pay or incur by reason of or in connection with any such default on the part of the Mortgagor including legal proceedings taken against the Mortgagor for recovery of all the monies in respect of the Facility under the Facility Agreement and/or the other Transaction Documents.

19. **Display of marks,notification to authorities**

The Mortgagor shall display/mark the Lenders' name on the factories, premises, godowns and other places where the Mortgaged Assets and/or all documents/records in respect thereof are stored/kept/installed/used/lying, indicating that such Mortgaged Assets are mortgaged / charged to the Lenders. The Mortgagor shall also notify all concerned third parties of the Lenders' security interest on the Mortgaged Assets and ensure protection of the Lenders' interest in relation to or pertaining to the security on the Mortgaged Assets.

The Mortgagor shall, if so required under the applicable laws and within the period specified therein, report in writing of the security interest created on the Mortgaged Assets to the concerned authority within whose jurisdiction the immovable properties forming part of the Mortgaged Assets are situate and procure written acknowledgement of the receipt of the report by such authority.

20. **Additional provisions in case the mortgage is created by Third Party Mortgagor**

(a) The Third Party Mortgagor hereby agrees that, without the concurrence of the Third Party Mortgagor, the Borrower and the Lenders shall be at liberty to vary, alter or modify the terms and conditions of the Facility Agreement and / or the other Transaction Documents and in particular to defer, postpone or revise the repayment of the Facility and/or payment of interest and other monies payable by the Borrower to the Lenders on such terms and conditions as may be considered necessary by the Lenders including any increase in the rate of interest. The Lenders shall also be at liberty to absolutely dispense with or release all or any of the security / securities furnished or required to be furnished by the Borrower to the Lenders to secure the Facility. The Third Party Mortgagor agrees that the liability under these presents shall in no manner be affected by any such variations, alterations, modifications, waiver, dispensation with or release of security, and that no further consent of

the Third Party Mortgagor is required for giving effect to any such variation, alteration, modification, waiver, dispensation with, or release of security.

(b) The Lenders shall have full liberty, without notice to the Third Party Mortgagor and without in any way affecting these presents, to exercise at any time and in any manner any power or powers reserved to the Lenders under the Facility Agreement and/or the other Transaction Documents, to enforce or forbear to enforce payment of the Facility or any part thereof or interest or other moneys due to the Lenders from the Borrower or any of the remedies or securities available to the Lenders, to enter into any composition or compound with or to grant time or any other indulgence or facility to the Borrower, to give / grant temporary or extra overdrafts or other advances / credit Facility to the Borrower and to appropriate payments made to it by the Borrower towards repayment / payment of such overdrafts / advances / credit Facility from time to time and the Third Party Mortgagor shall not be entitled to question such appropriation or to require the Lenders to appropriate such payments towards previous disbursements under the Facility so as to reduce the liability of the Third Party Mortgagor hereunder on account of any such payments AND the Third Party Mortgagor shall not be released by the exercise by the Lenders of their liberty in regard to the matters referred to above or by any act or omission on the part of the Lenders or by any other matter or thing whatsoever which under the law relating to sureties or otherwise would but for this provision have the effect of so releasing the Third Party Mortgagor AND the Third Party Mortgagor hereby waives in favour of the Lenders so far as may be necessary to give effect to any of the provisions of these presents, all the suretyship and other rights which the Third Party Mortgagor might otherwise be entitled to enforce. The Third Party Mortgagor also agrees that they will not be entitled to the benefit of subrogation vis-a-vis securities or otherwise until all the monies due to the Lenders under the Facility are fully repaid / paid.

(c) These presents shall be enforceable against the Third Party Mortgagor notwithstanding that any security or securities comprised in any instrument(s) executed or to be executed in favour of the Lenders shall, at the time when the proceedings are taken against the Third Party Mortgagor on these presents, be outstanding or unrealised or lost.

(d) The Third Party Mortgagor hereby agrees and gives consent to the sale, mortgage on prior, pari-passu or subsequent charge basis, release etc., of any of the Mortgaged Assets by the Borrower from time to time as may be approved by the Lenders or the transfer of any of the assets of the Borrower from one unit to the other or to the release or lease out by the Lenders any or whole of the other assets charged to the Lenders on such terms and conditions as the Lenders may deem fit and this may be treated as a standing and continuing consent for each and every individual act of transfer, mortgage, release or lease of any of such assets of the Borrower. The Third Party Mortgagor hereby declares and agrees that no separate consent for each such transfer, mortgage, release or lease any of such Mortgaged Assets would be necessary in future.

(e) The Third Party Mortgagor hereby agrees and declares that the Borrower will be free to avail of further loan(s) or other facility from the Lenders or any other person in addition to the Facility and/or to secure the same during the subsistence of these presents and in that event the security herein contained will not be affected or vitiated in any way whatsoever but will remain in full force and effect and binding on the Third Party Mortgagor.

(f) The rights of the Lenders against the Third Party Mortgagor shall remain in full force and effect notwithstanding any arrangement which may be reached between the Lenders and

the other guarantor(s) / security provider(s), if any, or notwithstanding the release of that other or others from liability and notwithstanding that at any time hereafter the other guarantor(s) may cease for any reason whatsoever to be liable to the Lenders, the Lenders shall be at liberty to require the performance by the Third Party Mortgagor of their obligations hereunder to the same extent in all respects as if the Third Party Mortgagor had at all times been solely liable to perform the said obligations.

(g) To give effect to these presents, the Lenders may act as though the Third Party Mortgagor were the principal debtor to the Lenders.

(h) The Third Party Mortgagor hereby declares and agrees that they have not received and shall not, without the prior consent in writing of the Lenders receive any security or commission from the Borrower for giving these presents so long any monies remain due and payable by the Borrower to the Lenders under the Facility Agreement and/or the other Transaction Documents.

(i) The Third Party Mortgagor shall not in the event of the liquidation / insolvency of the Borrower prove in competition with the Lenders in the liquidation / insolvency proceedings.

(j) A certificate in writing signed by a duly authorised official of the Lenders shall be conclusive evidence against the Third Party Mortgagor of the amount for the time being due to the Lenders from the Borrower / the Third Party Mortgagor in any action or proceeding brought on these presents against the Third Party Mortgagor.

(k) These presents shall not be wholly or partially satisfied or exhausted by any payments made to or settled with the Lenders by the Borrower and shall be valid and binding on the Third Party Mortgagor and operative until repayment in full of all moneys due to the Lenders under the Facility Agreement and/or the other Transaction Documents.

(l) These presents shall be irrevocable and the obligations of the Third Party Mortgagor hereunder shall not be conditional on the receipt of any prior notice by the Third Party Mortgagor or by the Borrower and the demand or notice by the Lenders as provided in Clause 22 hereof shall be sufficient notice to or demand on the Third Party Mortgagor.

(m) The liability of the Third Party Mortgagor under these presents shall not be affected by :  
(i) any change in the constitution or winding up of the Borrower / the Third Party Mortgagor or any absorption, merger or amalgamation of the Borrower / the Third Party Mortgagor with any other company, corporation or concern; or (ii) any change in the management of the Borrower / the Third Party Mortgagor or take over of the management of the Borrower / the Third Party Mortgagor by Central or State Government or by any other authority; or (iii) acquisition or nationalisation of the Borrower / the Third Party Mortgagor and/ or of any of its undertaking(s) pursuant to any law; or (iv) any change in the constitution of the Lenders; or (v) bankruptcy / insolvency / death of the Third Party Mortgagor / the Borrower; or (vi) the absence or deficiency of powers on the part of the Third Party Mortgagor to give guarantees and/or indemnities or any irregularity in the exercise of such powers. The Third Party Mortgagor undertakes not to revoke these presents during the subsistence of the Facility Agreement.

(n) These presents shall be a continuing one and shall remain in full force and effect till such time the Borrower repays / pays in full the Facility together with all interest,

commission, costs, charges, expenses and all other monies payable under the Facility Agreement and/or the other Transaction Documents.

(o) The Lenders shall be entitled to exercise general lien and/or adjust, appropriate or set off all securities / deposits held by the Lenders to the credit of or the benefit of the Third Party Mortgagor on any account or otherwise howsoever towards the discharge and satisfaction of the liability of the Third Party Mortgagor under these presents.

(p) Any admission or acknowledgement in writing given or any part payment made by the Borrower in respect of the Facility shall be binding on the Third Party Mortgagor and shall be treated as given on behalf of the Third Party Mortgagor also.

(q) These presents are in addition to and not by way of limitation of or substitution for, any other guarantee(s) / security that the Third Party Mortgagor may have previously given or may hereafter give to the Lenders (whether alone or jointly with other parties) and these presents shall not revoke or limit any such other guarantee(s),

(r) The Third Party Mortgagor shall not exercise any rights which they may have acquired by way of subrogation or otherwise, or take any action or make any claim in competition with an action or a claim of the Lenders.

(s) Upon receipt of statement(s) giving details of the securities, if any, created for securing the Facility, the Third Party Mortgagor shall forward its acknowledgement of the securities, if any, specified in the aforesaid statement(s), in the form prescribed by the Lenders. In the event the Lenders do not receive such acknowledgement from the Third Party Mortgagor within a period of ten days from the date of receipt of statement from the Lenders, the Third Party Mortgagor shall be deemed to have confirmed the correctness of the entries in such statement(s) and acknowledged the indebtedness for the balance mentioned in the aforesaid statement(s) and the securities therefor.

Acknowledgement as stated above by the Karta or any one of the partners or the authorized signatory (in case of body corporate) shall be deemed to be acknowledgement by all the members of the HUF or all the partners or the body corporate and shall be binding on the Third Party Mortgagor.

(t) The Third Party Mortgagor hereby agrees, confirms and undertakes that :

(A) the Lenders shall, as the Lenders may deem appropriate and necessary, be entitled to disclose all or any :

(i) information and data relating to the Third Party Mortgagor;

(ii) information or data relating to these presents or any other securities furnished by the Third Party Mortgagor in favour of the Lenders;

(iii) obligations assumed / to be assumed by the Third Party Mortgagor in relation to the Facility under these presents or any other securities furnished by the Third Party Mortgagor for any other credit facility granted / to be granted by the Lenders;

(iv) default, if any, committed by the Third Party Mortgagor in discharge of the aforesaid obligations,

to any agency/credit bureau (including the Credit Information Bureau (India) Limited) (the "Agency") authorised in this behalf by RBI.

(B) The Agency so authorised may use, process the aforesaid information and data disclosed by the Lenders in the manner as deemed fit by them;

(C) The Agency so authorised may furnish for consideration, the processed information and data or products thereof prepared by them, to the Lenders / financial institutions and other credit grantors or registered users, as may be specified by RBI in this behalf;

(D) the information and data furnished by the Third Party Mortgagor to the Lenders from time to time shall be true and correct;

(E) In case the Third Party Mortgagor commits a default in payment or repayment of any amounts in respect of the Facility, the Lenders and/or RBI will have an unqualified right to disclose or publish the details of the default and the name of the Third Party Mortgagor (including its directors) as the case may be, as defaulters, in such manner and through such medium as the Lenders or RBI in their absolute discretion may think fit.

(F) The Lenders shall also be entitled to disclose information etc. as stated above to any person as may be required / specified by applicable laws.

(G) The disclosure as stated above may be made / released in any form (including electronic, media) as prescribed by RBI, the Agency or otherwise, with such details (including photographs) as may be deemed fit by the Lenders.

21. **Joint and several liability**

In case there are more than one Borrower, each of the Borrower shall be jointly and severally liable to the Bank for performance of all obligations under the Mortgage Deed.

22. **Notices**

Except as otherwise expressly provided in these presents or the Facility Agreement, the provisions Clause 11.1 of the General Conditions shall apply mutatis mutandis to this Agreement as if expressly set out in full herein with each reference to the Facility Agreement or General Conditions being deemed to be a reference to this Agreement and each reference to the Borrower to include the Mortgagor wherever applicable or as the case may be.

23. **Severability**

Any provision of the Mortgage Deed which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of prohibition or unenforceability but that shall not invalidate the remaining provisions of the Mortgage Deed or affect such provision in any other jurisdiction.

24. **Assignment**

The Mortgagor shall not assign or transfer all or any of its rights, benefits or obligations under the Mortgage Deed without the approval of the Lenders. The Lenders may, at any time, assign, securitise, novate, transfer or dispose of all or any of its rights, benefits and obligations under the Mortgage Deed in any manner whatsoever without the consent of or any intimation to the Mortgagor.

25. **Governing law**

The Mortgage Deed shall be governed by and construed in accordance with the laws of India.

26. **Jurisdiction**

Any legal action or proceedings arising out of the Mortgage Deed may be brought by the Lenders, in its absolute discretion, in any competent court, tribunal or other appropriate forum having jurisdiction.

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